THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) For the purpose of grant of Compensatory (City) Allowance, cities/towns have been classified with reference to population of the Urban Agglomeration (U.A.) of the city, where-ever it exists, otherwise that of the Municipal area as given below:-

Population of the U.A./Municipal Area of the City.	*Classification*
More than 16 lakhs	'A'
Above 8 lakhs but not exceeding 16 lakhs	'B-1'
Above 4 lakhs but not exceeding 8 lakhs	'B-2'

Actual amount of Compensatory (City) Allowance admissible to a Govt. servant depends upon the pay range and the classification of the city.

(b) No, Sir.

(c) No, Sir.

(d) and (e). Do not arise.

Export of Sports Goods

5071. SHRI GOPI NATH GAJAPATHI: Will the Minister of COMMERCE be pleased to state:

(a) whether the Indian sports goods are in great demand in the International markets;

(b) if so, the steps proposed to be taken by the Government to encourage the export of these goods;

(c) whether the Government have given necessary instructions to the Sports goods industry to bring in new technology in order to make the Indian sports goods more acceptable in the foreign markets; and

(d) if so, the response of the sports industry thereto?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM). (a) Yes, Sir.

(b) Market promotion measures abroad and product development efforts to make Indian sports goods competitive in world markets have helped in increasing exports and these measures are proposed to be continued and intensified, wherever required.

(c) and (d) The Government has not issued any specific instructions to the Sports goods industry which is primarily in the small scale sector. However, to accelerate modernisation and technological upgradation in the small scale sector in general, it has been decided to allow equity participation by other industrial undertakings, not exceeding 24% of the total shareholding. Besides, the existing Process-cum-Product Development Centre at Meerut is also proposed to be modernised with assistance from UNDP. It is expected that industry would take maximum advantage of these measures.

Export Growth

5072. SHRI R. DHANUSKODI ATHITHAN:
SHRI ANKUSHRAO RAOSAHEB TOPE:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are aware that the growth in exports is hindered by steep increase in interest rates in the country; and

(b) if so, the steps taken/proposed to be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) and (b). in the context of devaluation of the rupee in July 1991, abolition of interest subsidy and the inflationary pressure on the economy the rates of interest on export credit were revised upwards to enable the banks to extend export credit more liberally.

While export credit rates is an important factor, the export performance of the country depends on a number of factors such as quality, competitive price and delivery of goods besides nature of international demands and supplies by other countnes.

New schemes have been introduced by the Government to provide pre-shipment and post-shipment credit at lower interest rates.

[Translation]

Smuggling at Airports/Ports

5073. SHRI RAJNATH SONKAR SHASTRI: Will the Minister of FINANCE be pleased to state:

(a) the total number of incidents of smuggling came to light at ports and airports of Bombay Madras, Delhi and Calcutta this year alongwith the total value of smuggled goods seized therein;

(b) whether the Government are aware that certain officers and other employees responsible for preventing smuggling are also involved in smuggling activities; and

(c) the number of such employees against whom action has been taken for their connivance with smugglers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The total number of cases of smuggling detected at ports and airports of Bombay, Madras, Delhi and Calcutta during the current financial year, (1991-92), alongwith the total value of smuggled goods seized therein are given in the table below:-

Ports/Airports	*No. of cases*	*Value (Rs. in lakhs)*
*Bombay Airport	7922	8821.00
*Bombay port	33	196.97
Nava Sheva Port, Bombay	1	0.35
Madras Airport	733	901.49
Madras Port	58	4.95
Delhi	487	654.56
Calcutta Port and Airport	1666	1621.53